

Message Text

PAGE 01 STATE 011501

66

ORIGIN EB-03

INFO OCT-01 ISO-00 /004 R

66616

DRAFTED BY EB/ORF/FSE/PDTAYLOR

EB/ORF/FSE:MR. BOSWORTH (APPROVED BY)

----- 115803

O 212134Z JAN 75

FM SECSTATE WASHDC

TO AMEMBASSY BONN IMMEDIATE

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY ROME

AMEMBASSY LUXEMBOURG

AMEMBASSY THE HAGUE

AMEMBASSY OTTAWA

AMEMBASSY TOKYO

AMEMBASSY ANKARA

AMEMBASSY MADRID

AMEMBASSY VIENNA

AMEMBASSY BERN

AMEMBASSY STOCKHOLM

C O N F I D E N T I A L STATE 011501

FOLLOWING REPEAT STATE 011501 ACTION OECD PARIS DATED 17 JAN 75

QUOTE

C O N F I D E N T I A L STATE 011501

E.O. 11652: GDS

TAGS: ENRG

SUBJECT: IEA: REPORT OF CHAIRMAN OF SLT SUBGROUP ON
CONSERVATION, MEETING JANUARY 13 AND 14, 1975

1. PLEASE PASS FOLLOWING TEXT IEA SECRETARIAT FOR
CONFIDENTIAL

PAGE 02 STATE 011501

DISTRIBUTION TO MEMBER GOVERNMENTS.

2. BEGIN TEXT.

TITLE: REPORT OF THE CHAIRMAN, SUBGROUP OF STANDING GROUP
ON LONG TERM COOPERATION MEETING, JANUARY 13 AND 14, 1975.

INTRODUCTION: THIS REPORT BY THE CHAIRMAN OF THE SUBGROUP
ON CONSERVATION SUMMARIZES THE RESULTS OF THE MEETINGS
HELD IN PARIS JANUARY 13 AND 14, 1975. IT IS BEING FOR-
WARDED TO GOVERNMENTS PRIOR TO SUBMISSION TO THE STANDING
GROUP ON LONG TERM COOPERATION JANUARY 23.

THE SUBGROUP'S ACTION COVERED THE FOLLOWING AREAS:

-- REVIEWED MATRIX OF MEMBER COUNTRY CONSERVATION
MEASURES.

-- DEVELOPED CRITERIA FOR MEASURING OVERALL I.E.A.
CONSERVATION EFFORTS.

-- DEVELOPED CRITERIA FOR COMPARING MEMBER COUNTRY CON-
SERVATION PROGRAMS.

-- DEVELOPED A PROGRAM FOR QUOTE CONSTRUCTIVE CONFRONTA-
TION UNQUOTE.

-- DEVELOPED DATA FORMAT FOR FORECASTING AND REPORTING ON
ENERGY CONSUMPTION.

-- DEVELOPED TENTATIVE TIMETABLE FOR FUTURE WORK.

-- DEVELOPED TENTATIVE AGENDA FOR NEXT MEETING.

1) REVIEW MATRIX OF MEMBER COUNTRY CONSERVATION
MEASURES

AN UPDATED TABLE IV OF THE AD HOC SUBGROUP ON 1975
CONSERVATION PROGRAMS WAS PREPARED. THE SUBGROUP DECIDED
THAT THIS REPORT OF COUNTRY CONSERVATION PROGRAMS BE
CONTINUOUSLY UPDATED.

CONFIDENTIAL

PAGE 03 STATE 011501

2) CRITERIA FOR MEASURING OVERALL IEA CONSERVATION
EFFORTS

A NUMBER OF OPTIONS FOR MEASURING THE OVERALL IEA CONSER-
VATION EFFORT WERE DISCUSSED, INCLUDING:

-- TOTAL ENERGY CONSUMPTION.

-- TOTAL PETROLEUM CONSUMPTION.

-- LEVEL OF PETROLEUM IMPORTS.

-- PER CAPITA ENERGY CONSUMPTION.

-- ENERGY CONSUMPTION PER UNIT GDP.

-- IMPORTED PETROLEUM AS A PERCENTAGE OF ENERGY.

-- TOTAL PETROLEUM AS A PERCENTAGE OF ENERGY CONSUMPTION.

WITH NEARLY ALL THESE MEASURES, THE SUBGROUP DETERMINED THAT EITHER ABSOLUTE OR RATE OF CHANGE MEASUREMENTS WERE FEASIBLE (E.G., BOTH THE RATIO OF ENERGY CONSUMPTION TO GDP AND THE RATIO OF AVERAGE ANNUAL GROWTH OF ENERGY CONSUMPTION TO THE AVERAGE ANNUAL GROWTH OF GDP ARE POSSIBLE MEASURES).

FROM THESE POSSIBILITIES THE SUBGROUP RECOMMENDS TO THE SLT THAT TWO PRINCIPAL CRITERIA BE ADOPTED TO MEASURE THE OVERALL CONSERVATION EFFORTS OF THE IEA:

A) IEA'S DEPENDENCE ON IMPORTED PETROLEUM RELATIVE TO TOTAL ENERGY CONSUMPTION.

B) THE ELASTICITY COEFFICIENT OF ENERGY TO GDP (RATIO OF ENERGY CONSUMPTION TO GDP) COMPARED TO A BASELINE (EITHER THE AVERAGE ENERGY AND GDP GROWTH FOR 5 YEARS 1968-1973 OR 10 YEARS FROM 1963-1973 -- TO BE DETERMINED LATER).

ACTUAL CALCULATIONS FOR THESE MEASURES WILL BE MADE FOR 1973 WHILE PROJECTIONS WILL BE MADE FOR 1974, 1975, 1977, 1980 AND 1985. THE SUBGROUP MADE SEVERAL POINTS REGARDING THESE MEASURING CRITERIA:

-- THE CRITERIA WERE CHOSEN BECAUSE THEY:

1) ARE FAIRLY SIMPLE AND EXPLAINABLE TO THE PUBLIC
CONFIDENTIAL

PAGE 04 STATE 011501

2) ARE CLOSELY RELATED TO THE MISSION AND ORIGINAL PURPOSES OF THE IEA, AND,
3) RECOGNIZE THE RELATIONSHIP OF ENERGY CONSUMPTION AND ECONOMIC ACTIVITY.

-- WHILE RECOGNIZING THE IMPERFECTIONS AND PITFALLS OF USING SUCH MEASURES, THE SUBGROUP BELIEVES THAT THE IEA DOES HAVE A PUBLIC AND MUST DEVELOP A WAY OF DELINEATING THE PROJECTED AND ACTUAL CONSERVATION RESULTS.

-- THESE CRITERIA ARE TO BE USED AS OVERALL IEA MEASURES ONLY, AND AS SUCH, DO NOT REPRESENT A MECHANISM FOR EVALUATING OR COMPARING INDIVIDUAL MEMBER COUNTRY CONSERVATION PROGRAMS.

THE SECRETARIAT HAS BEEN INSTRUCTED TO COMPUTE THE AVERAGE ELASTICITY COEFFICIENT FOR ENERGY TO GDP FOR BOTH YEARS 1963-73 AND YEARS 1968-73. THE SUBGROUP WILL MAKE A RECOMMENDATION ON WHICH TO USE AS A BASELINE FOR CRITERIA (B) ABOVE AT THE NEXT MEETING.

3) BASIS FOR EVALUATING AND COMPARING MEMBER COUNTRY
CONSERVATION PROGRAMS

THE SUBGROUP IS RECOMMENDING A TENTATIVE LIST OF 6
CRITERIA THAT WOULD FORM THE EVALUATION NUCLEUS OF
MEMBER COUNTRY CONSERVATION PROGRAMS. THE CRITERIA
ARE TENTATIVE BECAUSE THE SUBGROUP WOULD LIKE TO SEE
CALCULATIONS FOR EACH OF THE MEASURES PRIOR TO MAKING
A FINAL RECOMMENDATION. THE SUBGROUP RECOMMENDS THAT
DATA TO CALCULATE MEASURES (A) THROUGH (E) BE PROVIDED
FOR 1973 AND FORECASTED FOR 1974, 1975, 1977 1980 AND
1985.

A) RATIO OF ENERGY CONSUMPTION TO GDP COMPARED WITH

A BASELINE OF THE AVERAGE COEFFICIENT FOR
1960-73 OR 1963-73.

B) RATE OF CHANGE OF THE ELASTICITY COEFFICIENT.
CONFIDENTIAL

PAGE 05 STATE 011501

C) COUNTRY'S DEPENDENCE MEASURED IN PERCENTAGE TERMS
ON IMPORTED PETROLEUM RELATIVE TO TOTAL ENERGY
CONSUMPTION.

D) COUNTRY'S DEPENDENCE MEASURED IN PERCENTAGE TERMS
ON ALL PETROLEUM RELATIVE TO TOTAL ENERGY
CONSUMPTION.

E) PER CAPITA ENERGY CONSUMPTION.

F) SUBJECTIVE EVALUATION OF THE CONSERVATION PROGRAMS
AND MEASURES WITHIN THAT PROGRAM INCLUDING:

-- DEGREE TO WHICH NATIONAL ENERGY CONSERVATION
GOALS HAVE BEEN DEVELOPED AND ARE ACCOMPANIED BY A
DETAILED PUBLIC PROGRAM.

-- DEGREE OF SEVERITY OF THE MEASUREMENTS UNDER-
TAKEN.

-- DEGREE OF PROGRAM COMPREHENSIVENESS IN
EFFECTIVELY DEALING WITH ALL RELEVANT SECTORS OF THE
ECONOMY.

-- DEGREE OF COMMITMENT OF FUNDS TO INAUGURATE
THE PROGRAM.

-- THE APPOINTMENT OF PERMANENT STAFF TO DEVELOP
AND IMPLEMENT NATIONAL CONSERVATION PROGRAMS.

-- INSTITUTION OF SELF-IMPOSED CONTROLS OVER

GOVERNMENTAL ENERGY USE.

-- DIFFERENCES THAT MAY EXIST IN A COUNTRY'S
ECONOMIC STRUCTURE OR
LEVEL OF ECONOMIC ACTIVITY.

-- A COUNTRY'S POLICY CHANGES WITH REGARD TO
GOVERNMENT NON-ENERGY INVESTMENTS THAT IMPACT ON ENERGY
USE (E.G., SPENDING ON HIGHWAY CONSTRUCTION VERSUS
CONFIDENTIAL

PAGE 06 STATE 011501

DEVELOPMENT OF PUBLIC TRANSPORTATION).

THE SUBGROUP MADE SEVERAL POINTS REGARDING CRITERIA
(A) THROUGH (F).

-- THESE CRITERIA WILL BE USED FOR INTERNAL IEA
PURPOSES ONLY FOR THE VERY COMPLEX TASK OF EVALUATING
AND COMPARING MEMBER COUNTRY PROGRAMS, HENCE, IT WAS
DECIDED THAT THEY NEED NOT BE SIMPLE OR UNDERSTANDABLE
BY THE LAYMAN.

-- THE CRITERIA TAKEN TOGETHER:

A) WILL PROVIDE A BASIS FOR DIFFERENTIATING
WHICH COUNTRIES HAVE UNDERTAKEN THE MOST EFFECTIVE
PROGRAMS;

B) ATTEMPT TO REFLECT THE VARIOUS ENERGY CONSUMP-
TION PATTERNS IN MEMBER COUNTRIES;

C) ACCOUNT FOR DIFFERENCES IN ECONOMIC LEVELS
OF MEMBER COUNTRIES;

D) BE AS OBJECTIVE AND QUANTITATIVE AS POSSIBLE
TO MINIMIZE OUR DEPENDENCE ON SUBJECTIVE EVALUATIONS.

-- BASED ON DATA SUBMITTED BY MEMBER COUNTRIES,
THE SECRETARIAT WILL PREPARE SEPARATE TABLES OF CAL-
CULATIONS FOR EACH OF THE MEASURES (A) THROUGH (E)
ON A COUNTRY-BY-COUNTRY BASIS AND ON OTHER MEASURES
THAT APPEAR WORTH FURTHER EVALUATION BY THE SUBGROUP.

-- A POINT SYSTEM WEIGHING THE CRITERIA AND
INTEGRATING THEM INTO AN OVERALL NUMERICAL RATING
SCALE WILL NOT BE ADOPTED AS PART OF THE EVALUATION
PROCESS.

4) PROCESS OF QUOTE CONSTRUCTIVE CONFRONTATION UNQUOTE

THE SUBGROUP RECOMMENDS THAT THE FOLLOWING PROCESS BE
ADOPTED FOR COMPARING AND EVALUATING MEMBER COUNTRY

CONFIDENTIAL

PAGE 07 STATE 011501

CONSERVATION PROGRAMS:

-- EACH OF THE 16 COUNTRY PROGRAMS WOULD BE EXAMINED IN-DEPTH BY REPRESENTATIVES OF THREE MEMBER COUNTRIES.

-- CRITERIA (A) THROUGH (E) LISTED ABOVE (AS MODIFIED BY SLT OR THE SUBGROUP AT THEIR NEXT MEETING) WILL SERVE AS THE BASIS FOR THE EXAMINATION.

-- EACH COUNTRY WILL BE ENCOURAGED TO SUBMIT TO THE EXAMINING PANEL ADDITIONAL INFORMATION IT BELIEVES WILL BE BENEFICIAL IN EVALUATING THE COUNTRY'S PROGRAM.

-- THE TRIO OF EXAMINERS WILL PREPARE A PAPER DETAILING THE COUNTRY'S PROGRAM, ANALYZING ITS PERFORMANCE ON EACH OF THE CRITERIA AND OTHERS THAT APPEAR RELEVANT AND MAKING WHATEVER TENTATIVE RECOMMENDATIONS REGARDING THE PROGRAM APPEAR APPROPRIATE.

-- EACH OF THE PAPERS AND MEMBER COUNTRY PROGRAMS WILL THEN BE REVIEWED BY THE SUBGROUP BEFORE SUBMITTING THE EVALUATIONS TO THE SLT.

5) DATA FORMAT FOR FORECASTING AND REPORTING ON ENERGY CONSERVATION

THE SUBGROUP RECOMMENDS THAT TABLE I AND ACCOMPANYING INSTRUCTIONS BE ADOPTED FOR FORECASTING AND REPORTING ON CONSERVATION PROGRAMS. ALSO TABLE II RECOMMENDED FOR USE TO DETAIL CONSERVATION MEASURES ADOPTED BY MEMBER COUNTRIES.

THE SECRETARIAT HAS BEEN INSTRUCTED TO COORDINATE REPORTING FORMATS WITH OTHER IEA SUBGROUPS TO ACHIEVE CONSISTENCY AND ELIMINATE OVERLAPS. NO DECISION ON A FINAL REPORTING FORMAT SHOULD BE MADE UNTIL THAT PROCESS IS COMPLETE.

6) TIMETABLE FOR FUTURE WORK
CONFIDENTIAL

PAGE 08 STATE 011501

THE SUBGROUP RECOMMENDS THE FOLLOWING SCHEDULE FOR FUTURE ACTIONS. IN COMING TO THIS RECOMMENDATION THERE WAS CONSIDERABLE DISCUSSION REGARDING THE NECESSITY OF SUFFICIENT TIME TO MAKE REASONABLY VALID PROJECTIONS.

JANUARY 24 - SLT TAKES ACTION ON SUBGROUP RECOMMENDATIONS.

FEBRUARY 1 - SECRETARIAT SENDS FINAL DATA FORMAT AND INSTRUCTIONS FOR FORECASTS AND LISTING OF CONSERVATION MEASURES.

MARCH 15 MEMBER COUNTRIES SUBMIT DATA TO SECRETARIAT

MARCH 30 SUBMIT CONSUMPTION REPORT, FOURTH QUARTER AND YEAR OF 1974.

APRIL 1-15 - (SPECIFIC DATES TO BE ESTABLISHED) SUBGROUP MEETING TO REVIEW DATA AND CRITERIA AND COMPLETE

INITIAL MEMBER COUNTRY PROGRAM EVALUATIONS.

7) TENTATIVE AGENDA FOR NEXT SUBGROUP MEETING

A) REVIEW FORECAST DATA, BASELINE AND TENTATIVE CRITERIA. SECRETARIAT TO PREPARE DATA FOR DISTRIBUTION TO SUBGROUP DELEGATION PRIOR TO THE MEETING.

B) REVIEW DETAILED PROCEDURES FOR QUOTE CONSTRUCTIVE CONFRONTATION UNQUOTE PROCESS. CHAIRMAN WILL PREPARE PAPER FOR DISTRIBUTION PRIOR TO NEXT MEETING.

C) DEVELOP RECOMMENDED OPERATIONAL DEFINITION OF ENERGY CONSERVATION. PAPER TO BE DEVELOPED JOINTLY BY UNITED KINGDOM AND DENMARK DELEGATIONS FOR DISTRIBUTION PRIOR TO THE NEXT MEETING. IN THIS REGARD, THE SECRETARIAT WILL SEND TO ALL DELEGATIONS THE DEFINITION PREPARED BY THE EUROPEAN COMMISSION.

CONFIDENTIAL

PAGE 09 STATE 011501

D) REVIEW POSSIBLE CONFLICTS BETWEEN CONSERVATION PROGRAMS AND EMERGENCY CONTINGENCY PLANS.

THE SECRETARIAT WILL PREPARE FOR DISTRIBUTION PRIOR TO THE NEXT MEETING THAT WILL PROVIDE A BACKGROUND OF THE PROBLEM AND INCLUDE SPECIFIC DATA IF POSSIBLE FROM THE EMERGENCY PROGRAMS SUBMITTED BY MEMBER COUNTRIES.

E) COMPLETE INITIAL EVALUATIONS OF MEMBER COUNTRY PROGRAMS.

ANY DELEGATION WISHING TO MAKE AN INPUT INTO THE PAPERS BEING PREPARED IN B), C), AND D) ABOVE ARE REQUESTED TO SEND THEIR CONTRIBUTION TO THE PERSON

RESPONSIBLE FOR THE PAPER PRIOR TO FEBRUARY 15, 1975,
WITH COPIES TO THE SECRETARIAT AND THE CHAIRMAN.
END TEXT. KISSINGER
UNQUOTE
KISSINGER

CONFIDENTIAL

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 21 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE011501
Document Source: ADS
Document Unique ID: 00
Drafter: EB/ORF/FSE/PDTAYLOR
Enclosure: n/a
Executive Order: 11652 GDS
Errors: n/a
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750189/baaaagnk.tel
Line Count: 386
Locator: TEXT ON-LINE
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 8
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 02 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 APR 2003 by MartinML>; APPROVED <15 SEP 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: n/a
TAGS: ENRG
To: BONN
BRUSSELS
COPENHAGEN
DUBLIN
LONDON
ROME

LUXEMBOURG
THE HAGUE
OTTAWA
TOKYO
ANKARA
MADRID
VIENNA
BERN
STOCKHOLM

Type: TE

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006